

Date Mailed January 6, 1999
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BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company - Wisconsin  
for Approval of an Affiliated Interest Agreement With Its  
Parent, Northern States Power Company – Minnesota

4220-AU-121

**NOTICE OF PROCEEDING  
AND  
INVESTIGATION AND ASSESSMENT OF COSTS**

**THIS IS A PROCEEDING**, pursuant to Wis. Stat. § 196.52, to consider the October 14, 1998, request of Northern States Power Company – Wisconsin (NSPW) for approval of an affiliated interest agreement (Agreement) between NSPW and Northern States Power Company – Minnesota (NSPM).

NSPW, 100 North Barstow Street, Eau Claire, Wisconsin, 54701-0008, is a public utility as defined in Wis. Stat. § 196.01(5) and is engaged in provision of electric power and energy and distribution of natural gas in the states of Wisconsin and Michigan. NSPM is a public utility engaged in the provision of electric power and energy and the distribution of natural gas in the states of Minnesota, South Dakota and North Dakota. NSPW is a wholly-owned subsidiary of NSPM.

The proposed Agreement is an administrative services agreement (master service agreement) that is intended to cover only the exchange of regulated utility services. Under the proposed Agreement, NSPW and NSPM can plan and operate their utility businesses to maximize possible economies of scale by exchanging services, information systems, materials and other items of value as necessary and desired. Examples of services that may be requested under the proposed Agreement include, but are not limited to, management and supervision; corporate secretary; legal and public affairs; accounting, auditing, forecasting and other financial services; human and information resources; customer accounting, billing, and customer service resources; shareholder and investor relations resources; and utility plant operations and system support such as, planning, construction, engineering, maintenance, materials management or other services. The proposed Agreement, if approved, will replace the December 15, 1982, administrative services agreement (master affiliated interest agreement) between the parties.

**NOTICE IS GIVEN** that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an

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investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to get this document in a different format should contact the case coordinator listed below.

This is a Type III action under Wis. Admin. Code § PSC 4.10(3). Since no unusual circumstances have come to the attention of the Commission which indicate that significant environmental consequences are likely, neither an environmental impact statement under Wis. Stat. § 1.11 nor an environmental assessment is required.

Questions regarding this matter may be directed to case coordinator Jodee J. Bartels at (608) 267-9859.

Dated at Madison, Wisconsin, \_\_\_\_\_

By the Commission:

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Lynda L. Dorr  
Secretary to the Commission

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